



## eLaw - Practice Management Update

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### In This Issue

**Lawyers Liable for GST on Disbursements Absent Agency Agreement: FCA**

**Partnership Toolkit**

**Free and Simple Legal Research**

**Managing Risk**

**Resources for Small Firm and Sole Practitioners**

**Project Management**

**More on Metadata Mining**

**Continuing Professional Development Programs: LSM**

**Fall Conferences: CBA**

### Lawyers Liable for GST on Disbursements Absent Agency Agreement: FCA

Merchant Law Group was recently found liable for the GST it failed to collect from clients on what it thought were exempt disbursements in [Canada v. Merchant Law Group](#), 2010 FCA 206. Merchant had argued that it was acting as agent for the client when it incurred disbursements for searches, courier costs, transcripts, certificates, etc., and that these expenses were therefore GST exempt. The court disagreed, finding that an exempt disbursement may become taxable if it is an input to a lawyer's services as was the case here. The court proposes a solution to this situation at para. 33: "...a written agreement appointing the lawyer as the client's agent, expressly delineating the scope of a genuine agency relationship between the lawyer and client and directing that certain disbursements be incurred and paid on the client's behalf."

### Partnership Toolkit

The Canadian Bar Association's new [Partnership Toolkit](#) is an interactive website designed to help lawyers who aspire to make partner reach their goals. Highlights include: articles, fact sheets, [a self assessment questionnaire](#), and podcast conversations with managing partners and others.

### Free and Simple Legal Research

[The Law Student Guide to Free Legal Resources on the Internet](#) is a website designed to help law students navigate the confusing world of Internet legal resources. Though American based

and designed for those new to legal research, the site is a great starting point for lawyers tackling American law research or those who need to brush up on online search skills. It identifies and links to sources for [federal](#) and [state](#) primary resources and free [secondary sources](#) such as legal dictionaries, encyclopaedias and law journal articles. The [research primer](#) and [guide](#) summarize the legal research process and provide tips on how to make the most of the many free online resources.

## Managing Risk

The [Avoid a Claim](#) blog article [Recognizing Risks and Avoiding Malpractice Claims](#) includes the alarming statistic that four out of five Ontario lawyers will face at least one malpractice claim in the course of their careers. Many claims are preventable, however, and most do not arise from failure to know or apply the substantive law. This [table](#) shows the most common legal malpractice claims by type of alleged error for selected claims from both the United States and Canada.

There are many online resources which can be used to reduce the threat of legal malpractice exposure. Two of the better recent publications are the summer edition of *Law Practice Magazine*, titled [Avoiding Malpractice - Are you at Risk?](#), and the article [Reducing Risk Through Effective Practice Management](#), by George Hendy, Patrick Cassidy and David Paul, published by the Canadian Bar Association in follow up to the [2010 Canadian Legal Conference](#).

## Resources for Small Firm and Sole Practitioners

The American Bar Association's [Smart Soloing Center](#) is a new online resource for sole and small firm practitioners. It gathers content from [law magazines](#), [blogs](#), [discussion lists](#) and [news feeds](#), and provides [links](#) to technology, research and practice management resources. Although American based, much of the content applies generally.

And, small firm lawyers operating without an office manager will appreciate the practical advice on staff, client, marketing and office management in [New Solution to Old Problems](#) by Pascale Daigneault, and on technology needs and options in [Technologies for Solo/Small Firm, Home and Mobile Lawyers - 2010 Update](#) by Richard Ferguson. Both articles are from the Canadian Bar Association's [2010 Canadian Legal Conference](#).

## Project Management

In [Legal Project Management](#) author Ted Tjaden notes the "marked uptake on the topic of legal project management in the legal literature and blogosphere" and predicts that it will gain stature in the future as law firms grapple with how to deliver better legal services in a changing market. He links to various resources on the topic, from academic papers to blogs and conferences.

## More on Metadata Mining

Following up on the item on Metadata Ethics in June's eLaw, here are some practical suggestions for ensuring your documents are not putting you at risk. [The ins and outs of metadata mining](#) by Luigi Benetton, published September 24, 2010 in *Lawyers Weekly*, lists eight techniques for checking a document for metadata. Making a PDF of a document before sending it out as some firms recommend won't necessarily eliminate metadata, as noted in the article [Scrubbing Metadata from PDF Files](#), which recommends that even PDF documents be scrubbed. The articles [Protect Your Documents From Prying Eyes With Privacy Settings](#) and [Adobe's Advice on Purging PDF Documents of Metadata](#) discuss the features in Word and Adobe Acrobat that help control transfer of metadata.

## Continuing Professional Development Programs: LSM

The Law Society is presenting the following practice management related programs this fall:

[HST in Manitoba? It's Already Here!](#) - Experienced accountants will discuss how HST and

place of supply legislative changes in other provinces will impact Manitoba lawyers and their clients at this lunch program on October 26, 2010. [Register](#) to attend the program in person at the Law Society classroom or by teleconference.

[Resolving Inter-Generational Conflicts in Law Firms](#) - Alan Levy, an associate professor at Brandon University, will lead this interactive seminar on inter-generational conflict resolution. He will discuss different generational negotiation styles and tactics for managing the generational diversity in today's law firms. The program takes place from 12:00-1:30 p.m. on November 12, 2010 at the Law Society classroom.

## Fall Conferences: CBA

The Canadian Bar Association is presenting two practice management conferences this fall, both in Toronto:

[Project Management for Canadian Lawyers](#), a one-day conference on project management principles and techniques, takes place November 1, 2010 in Toronto. Register [online](#) or [by mail](#).

The 6<sup>th</sup> annual [Law Firm Leadership Conference](#) will be held November 22-23, 2010. The theme of this year's conference is Best Practices for Effective Change, and speakers will address such topics as multi-sourcing of work, best uses of technology and IT cost management. Richard Susskind will facilitate.

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